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## THE WORKING OF THE TRADE BOARDS ACT IN GREAT BRITAIN AND IRELAND

### I

Neither the Trade Boards Act itself nor its effect upon the position of those classes of workers who come within its operation can be rightly understood without some review of the causes which led to its introduction into the British House of Commons. The first years of the twentieth century witnessed a very widespread and remarkable change of thought on the subject of the interdependence of classes in Great Britain: in a sense never previously true the solidarity which exists between all members of the body politic became an accepted proposition. There had been a time, not even now far distant, when it was tacitly assumed and even expressly asserted among Englishmen that different classes of the same people could be economically independent. The well-being or the degradation of a single class, however serious a question it might appear to the humanitarian or the moralist, presented no problem requiring the serious attention of economists trained in the school of *laissez-faire*. When a wave of humiliation, distress, and dismay ran through the country on the publication of the Report presented by the House of Lords Committee on Sweating in 1889, the influence of that school, though already fast waning, had still sufficient hold on the national mind to prevent any definite action

being taken on the Report. The thrill of feeling was genuine, but unproductive of real reform. Its only direct practical outcome was a temporary craze for slumming on the part of certain well-to-do individuals. Indirectly the Report was not without effect: after the diffusion of so much new knowledge the attitude of blank ignorance toward the facts of life in the lowest walks of industry was no longer possible to the majority of the community. Only the peculiarly sheltered and the very frivolous escaped some acquaintance with the state of things that stood revealed in the Lords Committee room. Indirectly, to the results of this new knowledge may be traced a deepened interest in the questions of housing and public health, and certain amendments of those factory laws which for the "man in the street" remain a mysterious code of regulations with which he rarely feels tempted to meddle. But the root cause of the evil was left untouched. No one in authority had then the courage to "strike his finger on the place" and point out that in regulation of wages lay the only reasonable hope of abolishing the sweating system.

In 1889, therefore, when the problem was stated in all its terms, no step was taken to solve it. The general thought, still enveloped in the mists raised by the Manchester School, still bemused by talk of the iron law of wages and the need of free competition, still half-credulous of the theory of the wage fund, was too timorous to suggest any dealing with wages which might seem like a return to those Elizabethan methods which had received their *coup de grace* with the coming-in of the modern industrial system, and too conventional to try a new way unconsecrated by previous custom and enactment. But among some of those younger nations of Great Britain's planting, in countries where tradition had less force and native courage more scope for action, the minds of men were already moving in the direction of such new methods. In the Australian colonies, in New Zealand, the last decade of the nineteenth century was to see a remarkable series of legislative experiments dealing with the wages of the worker, and these experiments did not go unobserved by a few watchful and penetrating students of social conditions at home. Sir Charles Dilke perceived from the first their value and importance for the mother country, and took

note of their progress and results with the eye of a statesman as well as with the sympathetic attention of a social reformer. The system which commended itself to him as most promising for adoption by an old and complex society was the most elastic of the three brought forward by Australasian statesmen—the Wages Boards system of Victoria, framed especially to meet the old-world evil of sweating as it had quickly developed in Melbourne. This left the minimum wage to be fixed by the trade itself instead of establishing it by means of parliamentary enactment or judicial decree, and was untainted by any association with compulsory arbitration—then as now a word of fear in the ears of English labor. On the lines of this system he framed his own Wages Boards Bill, and patiently introduced it year by year into the House of Commons undeterred by persistent ill luck in the ballot and small sympathy among members who, whether official or unofficial, for the most part regarded such a proposal as an academic exercise rather than a measure of practical politics. But events were working in his favor. That which his wide knowledge and trained experience had appreciated early was gradually forced upon more ordinary intelligences. In the twenty years that elapsed between 1889 and 1909 the courses of the world combined to make plain the truth that economically we are all members one of another. Expert examination into the sources of national prosperity and national decline showed that even one unsound spot in the national organism is and must be the cause of weakness and corruption in the whole. Willingly or unwillingly, the wealth acquired by the underpayment of labor must needs pay toll toward the maintenance of those of whose incapacity, sickness, destitution, or crime such underpayment is the fruitful source. Thinking people began to realize that, however splendid the industrial superstructure, if its foundations be set in a mass of bad work and half-starved workers, if the building be reared above an abyss of inefficiency and misery into which those belonging to the higher working grades are in continual danger of slipping, carrying with them the children who are necessarily the hope of the next generation, the whole building must be in peril. It was perceived that in the case of a large class of the community a lowering of both physique and morale was going on

which must presently amount to a national danger. Moreover, Englishmen learned that this new consciousness of danger was not confined to thinkers of their own nationality. Their Continental neighbors, too, had a sweating problem and were becoming keenly alive to the importance of finding a solution for it. Foreign governments took steps which showed their sense of the necessity laid upon them to deal with the matter by legislation. The old easy-going method of leaving things to right themselves under some mysterious economic law was being everywhere abandoned. The time was ripe for the act which came into existence five years ago.

Its way had been carefully prepared, not only by the annual introduction of the Wages Boards Bill which has been alluded to, but by prolonged and patient spade work in the country. By much careful investigation, by propaganda in the lecture hall and the press, finally by the great object-lesson of the Sweated Industries Exhibition in London, a small band of social reformers succeeded in convincing the public mind of the widespread prevalence of the evil which they attacked and in familiarizing it with the proposed means of cure. Sweating was found, contrary to preconceived ideas, to be confined to no special trades or special localities or special classes of goods. It had been supposed to go hand in hand with cheapness; but the public learned with dismay that the payment of a high price for a manufactured article was no guaranty that its actual maker had received a fair wage for his or her part in the production. It had been believed by many to be the result of alien competition; it was seen to flourish equally in towns and trades where the alien is an economic factor and in those where economically he does not exist. More and more, as first-hand knowledge increased, it became manifest that while there are few industries in which the workers are *all* underpaid, there are fewer still in which they are not underpaid in some department. The connection of such underpaid departments with the most prosperous industries was proved to be common. Over a large area of industry the wages paid were found insufficient to provide adequately for the barest necessities of life; in particular such official returns as those of the Board of Trade Earnings and Hours Enquiry showed the wages of women in nearly every industry, save the

cotton textiles, to be below a decent subsistence level. These things being pressed continually on public attention, an atmosphere of sympathy and understanding was gradually created in which it became possible to move in good earnest for remedial legislation.

As is ordinarily the practice in England when social legislation of a novel character is to be attempted, the government stood aside officially, contenting itself at the outset with friendly encouragement of a private member's bill. How great had been the effect of time and teaching was shown in the fact that this bill passed its second reading in the House of Commons without a division, with the support alike of Liberals and Conservatives, Nationalists and Labor men. By agreement it was referred, not to an ordinary Standing Committee of the House, but to a Select Committee, which took much evidence and examined exhaustively into the whole question of sweating. It was known as the Home-Work Committee; but neither its examination of witnesses nor its recommendations were confined to home-work which indeed in England occupies only a comparatively insignificant portion of the field of industry. No one conversant with the question of sweating had at any time supposed it to be confined to the class of home-workers, although it was among this class that the worst effects of underpayment were most clearly and shockingly apparent. It was not, therefore, a matter for surprise when Sir Thomas Whitaker's committee proposed the establishment of Wages Boards for factory workers and home-workers alike in certain selected industries.

Out of this Report sprang the Trade Boards Act of 1909, which proceeded from the Board of Trade during the brief and brilliant period of Mr. Winston Churchill's presidency of that department. In the four trades first scheduled under the act—ready-made and wholesale bespoke tailoring, paper-box making, the finishing of machine-made lace, and the hand-hammered chain-making of Cradley Heath—a very low rate of wages was notorious. But it was never intended to confine the ultimate operation of the new measure to this group of industries, and from the beginning provision was made in the bill for its extension to other trades or branches of trades in which, as compared with other employments,

the rate of wages prevailing should be proved, to the satisfaction of the Board of Trade, to be exceptionally low.

The act does not, however, place the power of such extension in the hands of the President of the Board of Trade. It was expected, and perhaps hoped by the original promoters of the new legislation, that the precedent would be followed by which the Secretary of State has power to apply certain provisions of the Factory Act from time to time to fresh trades, by order. But the government doubtless felt that a procedure which the employers consent to accept, not always very willingly, in the case of a well-established industrial code, could not without risk be applied to one of a tentative and experimental character. So it was laid down that extension must take place by "provisional order"; and as a "provisional order," to become effective, must be embodied in a bill confirmed by both Houses of Parliament, no extension of the act can take place without direct parliamentary ratification.

A further safeguard against any sweeping extension was set up in the provisions that, if a petition should be presented against any order comprised in a confirming bill, that bill, in so far as it related to the particular order, should be referred to a Select Committee of the House of Commons or to a joint Committee of the two Houses before whom the petitioner should be allowed to appear and to oppose. Effect was given to this provision last year when on a provisional order being made to extend the act to five new trades, one of which was a branch of the laundry industry, the Federation of Laundry Associations presented a petition, and a Select Committee of five members of the House of Commons was appointed to consider it.

The act lays upon the Board of Trade the obligation of establishing Trade Boards in connection with any trade to which the act applies, providing incidentally that where any trade or branch of a trade for which a Trade Board has been established under the act is carried on in Ireland, a separate Trade Board shall be established in Ireland to deal with the Irish part of the trade.

It is to be observed at the outset that there is under the Trade Boards Act no attempt on the part of Parliament to fix wages. Neither is there any power to that end delegated to the Board of

Trade. The function of the state—here represented by the Board of Trade—is limited to the sanction or suspension of a minimum rate of wages, which has been fixed by the Trade Board representing the trade affected in its two divisions of employer and employed. In order to make the boards thoroughly representative in character, it is provided in the act itself that they shall consist of representatives of employers and employed in equal numbers, and that women as well as men shall be eligible to sit upon them; and, in the regulations made under it, that where the home-workers in any trade form an appreciable proportion of the whole number of employed, they shall be entitled to special representation.

In addition to the representative members, chosen either directly or indirectly by those whose interests they represent, there is on each Trade Board a third element: that of the “appointed” members who are the direct nominees of the Board of Trade. They are not officials of the department, but persons chosen from outside, selected in some cases for their special knowledge of industrial conditions, and in all on grounds which appear to insure that they will bring impartiality and intelligence to the consideration of the problems laid before them. Since it must naturally occur that in many cases the employers’ side is able to bring the stronger force of argument to bear upon Trade Board questions, owing to the wider information and better education of the persons composing it, and since the majority of members on the other side of the table will frequently be untaught and inexperienced workers, unaccustomed to act together and quite unversed in debate or discussion of any kind, the presence and qualifications of the appointed members of a Trade Board are necessarily of great importance in securing satisfactory decisions.

The act has not left out of sight the consideration that what are commonly called the sweated trades employ a majority of women, and has provided that for any trade in which women are largely employed at least one of the appointed members shall be a woman. Further, by not explicitly limiting the representatives of employers and workers to persons actually engaged in the trade, the act leaves the workers free to appoint as their representatives trade-union officials and social workers who can frequently put



their point of view much more effectively than they could plead it for themselves. Thus, to their great and lasting advantage, they have had as their mouthpiece on all the four first boards established Mr. J. J. Mallon, the able secretary of the National Anti-Sweating League, who is acknowledged to be the first practical authority on Trade Boards in this country outside the official ranks; and on two of the four, so distinguished a champion of woman in industry as Miss Mary Macarthur of the Women's Trade Union League. This concession to one party on the board of course involves a corresponding concession to the other side, of which the employers on three of the boards have made use by appointing a trained lawyer as their spokesman.

Care has been taken to keep the official element in strict subordination to that which is representative. At all times the number of appointed members on any Trade Board must be less than half the total number of members representing employers and members representing workers. This is as it should be: the appointed members are there to hold the balance even between two parties often unequally matched, but they are not themselves principals in the debate. They do not initiate discussion, though there are times when they may most usefully intervene in it.

The four trades first scheduled under the Trade Boards Act fell into two groups. Two are small, strictly localized industries; the remaining two are important trades, widely distributed, and carried on under varying conditions in different parts of the country. That the Trade Board might obtain complete information as to these local conditions, power was given it to establish District Trade Committees, consisting partly of its own members and partly of employers and workers in the special locality in which the committee should be set up. These committees were to be constituted on the same lines as the Trade Board, and to consist of employers, workers, and appointed members in similar proportion.

It will be seen that the chairman of a Trade Board as constituted under this act is necessarily a person of considerable importance. He is appointed by the Board of Trade, and although there is no reason why under the provisions of the act each Trade Board should not have its own chairman, so far a single chairman has pre-

sided over all the six Trade Boards (four in Great Britain and two in Ireland) established for the trades first scheduled. This same chairman will conduct the proceedings of the new boards thus far constituted under the extension of the act.

In like manner, a single secretary (also appointed by the Board of Trade) at present carries on his shoulders the accumulated responsibility of the work of all the existing boards.

A Trade Board has one main duty as defined in the act: to fix minimum rates of wages. It should be clearly understood that the rates fixed by Trade Boards are minimum rates only, i.e., they represent the limit below which wages may not legally fall, and no more. They are not empowered either to create scales of wages in respect of individuals or classes of workers, or to set any limit to the advances upon the rates which they have fixed that may be offered by employers or secured by workers. They are, however, empowered, in cases where the infirmity of the worker does not permit him or her to earn the minimum time-rate, to exempt the employment of that worker from the provisions of the act, thus freeing the employer from the penalty to which he would otherwise be liable for paying wages at a rate less than the minimum time-rate. It is true that since their establishment the boards have discovered that the act gives them implicitly, though not explicitly, certain further powers, of which that of limiting the number of learners in proportion to adult workers and prescribing the conditions of their learnership, as well as fixing for them a rising minimum rate, are the most important. But these powers are consequential on that of fixing the minimum rate and are exercised solely with a view to its enforcement. Without some limitation of the number of learners in certain trades, the fixing of the minimum rate by the Trade Board could be rendered entirely ineffective by the simple expedient of displacing adult workers in favor of a series of learners to be in their turn dismissed when they should reach the age at which adult wages become payable.

The act distinguishes clearly between the fixing of a minimum time-rate (which is compulsory upon every Trade Board) and the fixing of general minimum piece-rates, which is optional. But, where no general minimum piece-rate is fixed, it becomes

obligatory upon the employer himself to establish piece-rates which will allow the ordinary worker in his employ to earn not less than the amount that would have accrued to him if employed at the minimum time-rate.

Public notice must be given by the Trade Board of any proposal to fix a minimum time- or general minimum piece-rate, and three months are allowed by the act for the lodging of objections to any proposed rate. When these objections have been considered further notice is issued of the actual fixing of the rate, and after six months from that date the Board of Trade, unless it sees reason to suspend action, makes the rate obligatory. During the waiting period of six months between the fixing of the rate and the issue of the Board of Trade order, the rate has a limited operation. The employer is bound to pay it in all cases in which the rate is applicable unless he shall have made written agreement to the contrary with the workers affected. But, should he make such agreement (and indeed unless he gives express notice to the Trade Board which has issued the rate, that he accepts the rate as obligatory upon him during this waiting period) he becomes incapable of taking a contract from any government department or local authority if that contract involves employment of persons to whom the minimum rate applies. (This provision was, of course, inserted in order to put a premium upon immediate acceptance of the rate, especially by such large employers as ordinarily undertake public contracts.) When the six months have expired, the rate becomes compulsory upon all employers concerned, without exception, and they are henceforward liable to penalties if in any case they evade or refuse the payment of the established rate. In addition to a fine not exceeding £20 (and not exceeding £5 for each day on which the offense of non-payment of the minimum rate is repeated), the court may on conviction of the employer condemn him to repay to the worker who has been defrauded of his minimum rate of wages the arrears that appear to be due to him.

To insure the carrying-out of the provisions of the act, power was given to the Board of Trade to appoint officers for the enforcement of its provisions and the investigation of complaints of its non-observance. These officers, although not given the title of

inspectors, really act in that capacity, and have, for the purpose of performing their duties, the right of examining wages sheets and wages books, of requiring information from persons giving out-work, and from out-workers, together with powers, similar to those of factory inspectors, of entering any factory or workshop or place used for giving out-work to out-workers "at any reasonable time."

One provision, occurring by the way but of great importance to the worker, remains to be noted. Section 6 of the act provides that the minimum rate of wages must be paid to the person employed "clear of all deductions." These four words relieve the poorest class of workers from a burden that has long weighed heavily upon them. The provision does not, it should be observed, sweep away the whole system of fines and deductions in all workplaces where the minimum rate is in operation, for it does not—and indeed cannot—deal with any earnings beyond the minimum wage which alone is contemplated by the Trade Boards Act. But it does at least secure the worker in absolute and undiminished possession of this minimum wage.

## II

The Trade Boards Act has now been in operation for over four years, and the time has arrived for drawing some conclusion in respect of the value of a piece of legislation frankly acknowledged to be largely experimental in character. It is, however, necessary to recognize that the work of the boards actually established is still in a very early stage, and to guard ourselves against any expectation of sensational results from action necessarily slow and tentative.

The actual constitution of the boards themselves occupied no little time, and proved to be—as, indeed, it had all along been foreseen it would be—a work of considerable difficulty. To gather together representatives of the employers, who, when not already federated, showed alacrity in associating themselves for the purposes of the act, was a comparatively simple matter; but when it came to securing proper representation of the workers, the task of the Board of Trade appeared in a very different light. The difficulties of that task were strikingly set forth in a paper by Sir George Askwith, published in the *Soziale Praxis*, of Berlin, early in 1911.

Sir George, having explained the absolute lack of any general organization among the workers in the scheduled trades, shows how his department made use of any rudiments of organization that could be discovered: how small local unions were called upon for aid, meetings of workers summoned to discuss the question of representation on the board, inquiries made with the object of finding out those among the workers who most enjoyed their fellow-workers' confidence and could best be said to represent their point of view. He explains how women had to be persuaded to abandon the silent reserve in which they were disposed to intrench themselves, and much patience brought to bear before the views of the home-worker could be ascertained. By a combined use of such means a list of workers' candidates was at last drawn up; a committee of the Board of Trade had then to decide whether the list was in conformity with the regulations; finally, the names were subjected to careful examination by leading officials. All this naturally took time—much time; and, in the case of the two greater industries, the work of constitution did not end with the nomination of the Trade Board. There were still District Committees to be appointed—nine in the case of the widely distributed paper-box trade, seven in that of the larger but more concentrated tailoring. The establishment of these committees required great care and consideration, it being important that they should be at once composed for the most part of employers and workers other than those on the Trade Board itself, and yet closely in touch with the board. The latter need has been met by direct representation of the Trade Board—employers and workers—on each District Committee.

The Chain-Making Board is the only Board which has, so far, been constituted by direct election of representatives by workers as well as employers in meeting assembled. In the other three cases the procedure was by Board of Trade nomination from lists sent up by the two parties.

As the limited area of the chain-making industry rendered elections to the Trade Board a comparatively simple matter, so the limited number of operatives in the sections scheduled helped to facilitate the subsequent operations of the board. Only those

workers, men and women, occupied in hammered and dollied or tommied chain-making—sections of the trade carried on in the outside workshops and concerned with the manufacture of the smaller and cheaper kind of chain—are included in the schedule (the other sections engaged in manufacturing cable and “great” chains being both highly organized and well paid); and these number little more than two thousand. Again, the trade is one which has nothing to fear from foreign competition, for there is no import of chains into Great Britain, and such chain as is made on the Continent cannot be said to rival seriously the products of Cradley Heath in the markets of the world. These were elements making from the first toward a good understanding between the two parties on the Trade Board. On the other hand, the wages to be dealt with were deplorably low, the industry having long served as the classic example of sweating. Under the old conditions a woman of average capacity, engaged from forty to fifty hours a week on common chain, earned anything from 6s. 6d. to 8s. per week, from which 2s. 6d. had to be deducted for fuel and rent of forge. And even these rates only held good as regards the very commonest kind of chain, for in the case of chain of better quality the output was necessarily smaller and the amount earned less.

The Trade Board agreed first upon minimum rates for the hand-hammered section, and, a few months later, for the dollied or tommied chain-making. In the latter branch chiefly men, in the former almost exclusively women are employed. Both are alike piece-workers. In this industry and in that of lace finishing, the vast majority of those employed are home-workers. In paper-box making and tailoring the home-workers are in a minority. But the Trade Boards Act of Great Britain makes no distinction between factory worker and home-worker in the trades scheduled under it, and the method pursued by the board was to fix the time-rate and then to express that rate in a piece-list. The time-rate for hand-hammered chain was fixed at  $2\frac{1}{2}d.$  per hour, and in practice the piece-list has been found to yield the worker rather more than the time-rate. Taking the whole body of women, they have obtained under the new list an increase of net wage amounting to about 80 per cent, while in a considerable number of cases the

increase rises as high as 150 per cent, for the women whose earnings previously worked out at 1*d.* per hour were not a few. The advance in the sweated section of the men's trade, while not so striking, is still considerable. With a minimum of 5*d.* per hour for the worst quality of dollied and tommied work, and minimum rates varying from 5½*d.* to 7*d.* for better chain, a man in this section may now earn in a full week of fifty-four hours from 22*s.* 6*d.* to 31*s.* 6*d.* It is remarkable that these rates, with their high percentage of increase, were arrived at by agreement between the employers' and workers' representatives on the Trade Board—after long discussion, it is true, but with a final unanimity which seemed of the best augury for the acceptance of the board's decision by the trade in general.

Unfortunately, while the federated employers of the district showed themselves prepared to carry out the determination, there were at Cradley Heath a certain number of employers and middlemen who seized upon the provisions of the act which prescribed that three months' notice of minimum rates fixed by any Trade Board must be given before they come into operation, and that any employer who can persuade his workers to accept a lower rate than the minimum during the six months following the first three shall be permitted to do so, in such a fashion as to threaten to stultify, to a large extent, the beneficial effect of the new rates. They took occasion from these waiting periods to amass large quantities of chain manufactured at the old figures, and at the same time endeavored to induce their workers to sign contracting-out agreements. A few months earlier, resistance to the action of the employers by the women would have been unthinkable. But the decision of the Trade Board, a decision which doubled, and in some cases more than doubled, their miserable pay, had put a new spirit into them. Acting under the guidance of the Women's Trade Union League and the National Anti-Sweating League, they stoutly refused to sign the proffered agreement, and were locked out in consequence. The lock-out lasted between two and three months. But the workers held on to the end, supported by much public sympathy and generous subscriptions which averted all danger of actual suffering, and before half the waiting period was over they obtained the full minimum rates. These have now been for over

three years legally obligatory on all employers. But the organization formed in the hour of peril still exists in a flourishing condition, strong enough and vigilant enough, it is hoped, to prevent any evasion of the Trade Board's determination.

When the minimum rates for the men's section came to be fixed, history repeated itself. There was a similar attempt to procure contracting-out agreements by employers, similar resistance on the part of the workers, followed by a lock-out. But in this second case the employers yielded far more quickly to the demand for immediate payment of the new rates, and all trouble was practically at an end in two or three weeks.

An important principle was established at the very outset by this smallest of the Trade Boards. The workers' contention that they are legally entitled to limit the number of apprentices under the act was upheld, after counsel's opinion had been taken, with the result that the Trade Board takes power to certificate apprentices, and to refuse or withdraw certificates in cases where apprentices or learners are considered to be employed in undue proportion. The value of this power, in relation to industries in which the fixing of a minimum rate might otherwise lead directly to the employment of a great crowd of young learners and the gradual elimination of older workers, has been previously indicated. The period of learnership for each of the scheduled sections of the chain-making trade is two years; three years' learnership is permitted only where the learner passes through both sections. The commencing rate of payment for learners is 4s., with increase every six months.

The number of members of the Chain-Making Board was fixed at not more than 17 persons (including 3 "appointed" members, representing the Board of Trade); the Lace Board is slightly larger, the minimum and maximum numbers in this case being 19 and 23. This board has also to deal almost entirely with out-workers. These women, who are about 8,000 in number, do not take out-work directly from the factory, but have it distributed to them by some 700 middle-women. This circumstance, together with the fact that the lace trade is at all times conscious of the pressure of foreign competition, makes the work of the Lace Board one of considerable complexity and delicacy. The board has



to be careful not to fix the rates at a point which will let in the French, Swiss, or German competitor; it has also to deal with distributing agents who have been accustomed to take percentages of the prices paid to them by employers at varying rates and whose ideas of the binding authority of the Truck Acts are in some cases of an exceedingly lax description. The price lists which governed the situation in Nottingham, before the coming of the Trade Board, were price lists given to the middle-woman, and acted upon by her at her discretion; there was no rule by which a definite proportion of the price was paid to the actual worker. In general the prices paid were miserably low, and the workers were sunk in poverty and misery. Here, far more than in any other of the scheduled industries, there was difficulty in finding women of sufficient intelligence and independence to serve on the Trade Board as workers' representatives.

An "agreed" rate, which became compulsory on February 24, 1912, was also made by the Lace Board. Founded on the time rate of  $2\frac{3}{4}d.$  per hour (to hold good until September 30, 1912, when it was to be advanced to  $3d.$ ), it has been easily translated into a piece-price list, based upon the list on which the middle-women were previously paid. Piece-work is so common in Nottingham that rates to be adjusted to the conditions of piece-work presented no terrors to the Lace Board. The board had, however, to deal with certain peculiar features of the local case. One of these was the middle-woman's percentage, which in the end she was left to settle for herself with the warehouse proprietor. Another, of very serious import to workers in the drawing section, was the question of defective draw threads, the frequent breaking of which had in the past often brought down the earnings of a drawer from  $1d.$  an hour to  $1d.$  for several hours. It was discovered that the troublesome threads whose constant breaking took such severe toll of precious time and strength were twofold threads, whereas the proper strength of such threads is threefold. An agreement has been come to by the Trade Board under which one farthing extra per gross yards will have to be paid whenever twofold thread is used in future.

It is difficult to say how far the decision of the Trade Board is being satisfactorily carried out in Nottingham. Certainly the

new rates were not paid in all cases—though they were in a few—during the waiting period; and among the 8,000 home-workers, mostly of a poor and ignorant type, who do not come into direct contact with the employer, it is almost inevitable that cases of evasion should arise. At present the peculiar difficulties which attach in Nottingham to the working of the Insurance Act have undoubtedly reacted upon that of the Trade Boards Act, complicating gravely a situation which was in any case bound to present many complexities of its own. It now seems likely that it is by the elimination of the middle-woman and by direct dealing between the employer and the out-worker that peace in respect to insurance and regularity in respect to minimum rates will be reached. Some prosecutions recently taken have had good results, both penalties and orders to pay arrears having been imposed by the court. The organization of the Nottingham lace-finishers is a task much less easy of accomplishment than was that of bringing into combination the smaller number of Cradley Heath chain-workers, a body of women endowed with more vigorous health, far more independent in character, and living in circumstances which, for all their roughness, are less mentally and morally depressing than those which prevail in the slums of Nottingham. But a beginning of organization has been made, and a sufficient spirit of self-help, it is to be hoped, aroused to provide the Trade Board officials with the assistance they need, and must have, if they are to enforce with success the Trade Board's decision.

From this localized industry we pass to one among the most widely distributed in the United Kingdom. It was not until the necessary action consequent upon the appointment of the Paper-Box Board came to be taken that many persons, even among those who had been for years engaged in studying industrial conditions, realized how scattered was this particular trade. The board is the largest of the four (35 to 41 members); it has more District Committees than the Tailoring Board; and it gathers its representatives from every county in England, from North and South Wales, and from Scotland. Not only are box factories manufacturing for the market to be found in all parts of the country, but there exists, in addition, a considerable amount of non-competitive box-making

by industrial firms for their own use. Their special interests also find representation on the board.

It was evident from the first, that on this board battle was to be joined between the two parties in a much more formal and deliberate fashion than it had been on the Lace or the Chain Board. The paper-box manufacturers had organized their plans in consultation with the associated employers in the other scheduled trades; they had a solicitor to state their case; and they argued strongly against any discussion of the time-rate until the District Committees should have been appointed. In the matter of the committees they did not carry their point. The board decided to discuss the rate first, and then take the sense of the District Committees upon it. In the end, the opinion of the committees does not appear to have weighed greatly in the board's final decision. The committees were naturally in favor of a varying rate for different districts, but the board itself, by a majority composed of the workers and the employers in the better-paying districts, gave its vote for a uniform minimum time-rate of 3*d.* per hour for female workers in a week of fifty-two hours, and a uniform graduated time-rate for learners (who are to be controlled by the Trade Board, which has power to refuse certificates to employers who do not loyally carry out the learnership arrangement), beginning at 4*s.* per week, and rising by a half-yearly increase through 5*s.*, 6*s.*, 8*s.*, 9*s.*, 10*s.* 6*d.*, to full minimum rates. The length of the learnership period is to be three years—this to include all the time the girl has worked at the trade, whether previous to holding a certificate or not. These provisions as regards learners are of the utmost importance in an industry where development of machinery, subdivision of process, and specialization of the worker has of late years been carried so far that children in years can now easily perform operations which were formerly carried out by adult women. The minimum time-rate for men box-workers has been fixed at 6*d.*<sup>1</sup> Special minimum piece-rates, to apply to matchbox workers in the East End, have also been made by the board.

As regards the percentage of increase on wages, it is not easy to determine, but it is certainly considerable. There is no doubt

<sup>1</sup> The above rates apply to Great Britain. Under the Irish Box Board the minimum rate for women is 2½*d.* an hour.

that before the making of the rate a considerable proportion of box-makers were receiving wages of less than 10s. a week. This is the opinion of Mr. J. J. Mallon and other competent observers, and I have found it confirmed by my own experience. The lowest earnings were probably those of home-workers, who often did not earn more than 7s. to 8s. per week.

Pending the coming into complete force of the minimum rates, many employers "tested" them. That is to say, they made up to the minimum the earnings of girls who had hitherto earned less, as piece-workers, than a piece-rate based on the minimum time-rate should yield them, warning them at the same time, that they would be expected to reach this level of production in the future.

The Tailoring Board (29 to 37 members) has to do with by far the most important trade and the largest number of workers. It is, however, not so widely distributed, geographically, as the box trade, being for the most part concentrated in certain great cities.<sup>1</sup> The trade is far more complicated than any of the other three, many and great variations being found in that single section of it which is at present being handled by the board. There was a time, not very long ago, when even experienced persons expressed the view that, owing to the seasonal character of the trade and its variations, the establishment of minimum rates in connection with it would prove impossible. But Sir George Askwith, speaking out of an experience unique as regards the fixing of price lists, all along disputed this pessimistic view. He wrote (*Soziale Praxis*, January, 1911) that he considered objections based on the changes of fashion and its varying forms to be ill-founded.

Skill and organisation are what is needed here. In the higher branches of this very industry, means of solving the problem have already been found: a piecework list has been established there for some time. If the workers had been better organised that list would already have been adopted by other branches. . . . I have helped personally to establish rates for industries in which variations, much greater and much more complicated than any that exist in the tailoring trade, were involved. We sometimes took weeks to achieve our object; but in the end we did achieve it.

On the Tailoring, as on the Paper Box Board, the employers are very strongly organized, being led by the same lawyer who acts as legal adviser to the box manufacturers. Not only were the

<sup>1</sup> London, Glasgow, Leeds, Manchester, Bristol, Leicester, and Norwich.

District Committees set up and consulted before discussion of the minimum rate took place at this Trade Board, but before its first meeting the employers assembled in national conference. A special regulation, governing this Trade Board, only, out of the four at present constituted, tends to draw a hard line between the two parties by providing that a majority of either may require that the voting be "by sides." This effectually prevents cross-voting, and places a much heavier responsibility on the "appointed" members, whose vote thus becomes decisive on every disputed point.

It cannot be denied that the minimum time-rate fixed by the Tailoring Board, *6d.* per hour for men and  $3\frac{1}{4}d.$  for women (25s. and 13s.  $10\frac{1}{2}d.$  for a week of fifty hours), has given rise to bitter disappointment on the workers' side. This disappointment is deepened by the fact that the original proposal for women was  $3\frac{1}{2}d.$ , so that there has been an actual lowering of the rates first proposed. Even when it is borne in mind that this rate applies to the lowest class of work and to the ordinary worker, it seems, in the case of so skilled a trade, remarkably low.

The advantage attaching to the payment of minimum rates "clear of all deductions" is seen with peculiar distinctness in relation to the tailoring and box-making trades, since the expenditure for thread, cotton, needles, gimp, etc., in the one industry, and glue, paste, etc., in the other have in the past often amounted to a serious diminution of a wage already pitifully small. This relief is greatest in the case of home-workers, but extends in many instances to factory workers also.

What conclusions may we venture to draw from the facts just summarized? First, that even in trades of a complicated nature the fixing of a minimum rate presents no insuperable difficulties, and that by the practical acknowledgment of representative employers a margin exists in the four scheduled trades which makes leveling up of wages to the standard of the better-paying firms possible. Secondly, that in the case of every scheduled trade the effect of the minimum rate has been to raise wages, and in the case of the worst-paid to raise them to an extent which has wrought a complete change in the economic conditions of the workers' lives. Thirdly, that in spite of the doubling and more than

doubling (in some instances) of the rate in the chain trade and the substantial advance in tailoring and box-making, this rise of wage has not been accompanied by any corresponding rise of prices to the consumer. Lastly, that some widely expressed fears in connection with the probable effect of a compulsory minimum rate have not been justified by the event. Even in the short space of time that has elapsed since the first decisions, things have occurred to show that the formula, "The minimum remains the maximum," is rather sonorous than sound. The Leeds tailoresses with their 4*d.* an hour and the recent advance of a farthing on the original minimum gained by the chain-makers combine to reassure the timorous on that point. Nor has the operation of the act resulted, as was foretold, in wholesale dismissals of old and slow workers. The predominant method of payment in the scheduled trades is by piece, and where this is the case the employer who has fixed piece-rates yielding the equivalent of the time-rate to the "ordinary" worker runs no risk of penalty if his sub-ordinary worker fails to reach that amount by reason of incapacity or advanced age. The ground of action against him, if it exists, will lie in the character of his piece-rate, not in the earnings of such and such a worker; so that the act really offers him no fresh inducement to get rid of workers who are something less than competent. And this he has apparently recognized.<sup>1</sup>

As regards administration, the experiment has not been carried far enough to afford adequate data for the formation of a final judgment. But the new readiness to organize, shown by workers belonging to all the four industries under Trade Boards, even those hitherto regarded as hopeless from the organizer's point of view, gives ground for belief that, with the initial encouragement of a minimum rate to begin upon, the persons entitled to receive minimum rates will in the future gradually learn to act in their own interests, and so to make evasion or infringement of the law on any large scale impossible.

<sup>1</sup> The question of the slow time-worker is a less simple one. His or her retention at a rate lower than the minimum will involve application for the "permit" provided under Sec. 6 (3) for such cases, and obviously the average employer is not likely to trouble himself particularly to retain the service of workers who do not reach the ordinary standard, while the supply of ordinary workers remains plentiful. So far, this question has not arisen in any serious form.

Further, the indirect effect of the Trade Boards is already beginning to show itself. The rise of wages due to their action is stimulating the members of trades as yet unprotected to demand better rates. The hollow-ware workers of the Black Country, inspired by their neighbor chain-makers of Cradley Heath, obtained a minimum weekly wage of 10s., even before they were themselves brought under a board.

Taking all these considerations together, it is possible even at this comparatively early stage to claim for the experiment such success as entitles us to press very earnestly for the bringing of other sweated industries or branches of industry within the beneficent scope of the Trade Boards Act. A host of such industries await inclusion in the schedule. Where claims are so many and so strong, it is difficult to decide which should have right of priority. But among those which may perhaps be taken to exhibit at once the greatest need and the greatest aptitude for the application of this special remedy are the remaining clothing trades<sup>1</sup> with their average of 22 per cent of adult women workers earning less than 10s. a week; such industries as hollow-ware and brick-making, which, if not so completely localized as the making of chain, yet occupy a definite and somewhat narrow belt stretching from the Midlands westward; and the warehouse trades, the jam-making and biscuit-making and chocolate-making and tea-packing which employ so vast an army of women at rates on which "living" in any decent sense is out of the question.

It is from these groups that the new schedule has in fact been made up. The provisional order of 1913 proposed to extend the Trade Boards Act to five new trades: sugar confectionery and food preserving; shirtmaking; hollow-ware (including the making of tin boxes and canisters); the linen and cotton embroidery trade of Ireland; and the calendar and machine-ironing branch of the laundry industry. In all these industries a vast majority of the persons employed are women. Official figures of the Board of Trade show that of the cocoa-, chocolate-, and sugar-confectionery makers over 40 per cent are earning less than 10s. a week. In the preserved-food, jam, sauce, and pickle trades, this percentage is

<sup>1</sup> "Clothing trades" is here used in the wide Board of Trade sense of the term, to include boot-making and laundries.

even higher, reaching 44. The need for a Trade Board in occupations where nearly half the persons employed are receiving a wage admittedly below bare subsistence level is obvious; but in this case one of the strongest arguments in favor of a minimum rate—that of striking variation between the rates of wages paid by firms engaged in the same manufacture—was also present in peculiar force. A recent inquiry of the Research Committee of the Christian Social Union into the wages paid in the food-preserving trades in London revealed such inequalities as the following: In jam-making the weekly rate for preparing fruit varies from 9s. to 13s. 6d.; for boiling, from 11s. to 20s.; for orange-peeling from 9s. to 22s.; for finishing, from 9s. to 15s. In sugar confectionery the boiling-room workers' wage varies from 6s. to 17s., the packers' from 5s. to 17s., the caramel-cutters' from 9s. to 15s., and that of the wrappers-up from 4s. to 10s. Tea-packers employed by one firm earn 10s. a week, those working for another 18s., both sets being employed on precisely similar machines.

Shirt-making *as a whole* is less badly paid than the majority of women's industries, but the average of wages in the trade is heavily pulled down by the low rates in Ireland (one-quarter of the Irish machine-workers earn less than 5s. 6d. a week) and the underpayment of a great proportion of the home-workers everywhere. This underpayment of home-workers is in great measure due, in the shirt industry, to the intervention of the middle-woman. It must not be supposed from the favorable comparison with other women's trades that shirt-making is in a satisfactory condition as regards the payment of adequate remuneration for labor. In this trade 21 per cent of all the women employed earn less than 10s. a week; of the hand-sewers, less than 10s. is earned by one woman in three.

Hollow-ware making is confined to the Black Country, except as regards the manufacture of tin boxes and canisters, which is carried on all over the country but has its chief center in London. Wages in the tin-box trade are deplorably low, ranging from 8s. to 14s. a week. In the Black Country, whence come pots and kettles, baths, buckets, and all manner of "receptacles" made from metal, a minimum of 10s. a week was only recently won by the women after a prolonged contest with the employers.



Few workers stand so much in need of the protection which a Trade Board can give as the Irish embroidery workers. The recent Report of the Departmental Committee presided over by Sir Ernest Hatch gave a vivid picture of the conditions under which their fine hand-work is done. They present the perfect example of sweating: wages reduced to rates of a penny, three farthings, even a halfpenny an hour; excessive hours of labor; small children "wearing their eyes out," in the words of an Irish medical Officer of Health, in the endless task of making a few shillings a week by the labor of an entire household.

More than one circumstance tends to depress the wages of those employed in the machine-ironing branch of the laundry industry. The work is not skilled, in the sense in which hand ironing is a skilled occupation; and the majority of those employed in it are quite young girls. In many cases the earnings of these girls, who are as a rule paid by time, are ludicrously inadequate to the turnover expected of them and the length of the laundry day. Mr. G. S. Barnes, in his evidence for the Board of Trade before the Select Committee which considered the petition of the Federation of Launderers' Associations against the provisional order, showed the percentage of laundry workers earning less than 10s. a week to be considerably higher than that found among tailoresses and box-makers before a minimum rate was fixed for their trades: 32 as against 24 and 25.

Probably the best evidence that can be produced for the successful working of the Trade Boards Act in the four trades first scheduled is to be found in the fact that in respect of the five new trades, no opposition was offered to their inclusion by the employers, the launderers only excepted. And although these scored a temporary success, in that the part of the provisional order relating to laundries was dropped for the moment, this passing victory was not due to any discredit of the facts which had led to the action of the Board of Trade in including them, but to a drafting error which inadvertently excluded laundries run by electric power and so gave steam laundries a legitimate ground of grievance. Mr. John Burns, lately appointed successor of Lord Buxton at the Board of Trade, marked his assumption of new office by at once

reintroducing a redrafted version of this portion of last year's provisional order, and its passing into law is now only a matter of time.

Of the new boards, two—confectionery and shirt-making—are already constituted and in working order. As on the occasion of the establishment of the first boards, their formation was preceded by a campaign of explanation carried on by the Board of Trade, and great activity both on the part of the Anti-Sweating League and such societies as the Women's Trade Union League and the National Federation of Women Workers, which has incidentally added largely to its membership in the course of the campaign. The Confectionery Board presents the interesting spectacle of a workers' group in which women are overwhelmingly in the majority faced by a homogeneous line of male employers. The women fortunately have at their disposal the skilled advice and leadership of Miss Macarthur and Miss Susan Lawrence, who sit among them.

Reckoning the additions to the number of persons within the area of its operation at 150,000, over 400,000 workers now come under the Trade Boards Act. The year 1914 has, then, opened hopefully for those who believe that in the extension of Trade Boards—perhaps with some modifications in the case of special occupations, such as that of the agricultural laborer—lies the best hope of raising the lowest grades of labor to a position in which the workers may gain sufficient security and independence to enter upon the task of themselves improving their position, and of protecting the good employer from the undercutting of unscrupulous rivals. It is not claimed for this, or any other method of grappling with the industrial problems which are more and more absorbing the attention and the energies of responsible statesmen, that it offers a complete solution of those problems. But in dealing with them from the economic side, it takes the first needful step toward their solution. The minimum rate is not the living wage; but it has made the attainment of the living wage even for the poorest and least skilled among those who work with their hands a question of practical politics.

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